

BEFORE THE  
FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON, D.C.

RECEIVED

AUG 15 1998

U.S. DEPARTMENT OF JUSTICE  
FEDERAL BUREAU OF INVESTIGATION

In the Matter of

)

1998 Biennial Regulatory Review -  
Review of International Common Carrier  
Regulations

)

)

)

IB Docket No. 98-118

COMMENTS OF DEUTSCHE TELEKOM AG

Hans-Willi Hefekäuser  
Deutsche Telekom AG  
Friedrich-Ebert-Allee 140  
Bonn  
Germany

Dr. Andreas Tegge  
Deutsche Telekom Inc.  
1020 19th Street, N.W.  
Washington, DC 20036

No. of Copies rec'd \_\_\_\_\_  
List A B C D E

0

## **Introduction**

Deutsche Telekom fully supports the FCC's proposal for major streamlining of International Section 214 Applications.

Deutsche Telekom acknowledges that most Section 214 applications have been granted in a 35 day process and that 26 applications from foreign telecommunications carriers to enter the US market have been granted since January 1998.

As already mentioned in Deutsche Telekom's comments on the proposal of the Rules and Policies on Foreign Participation in the US-Telecommunications Market in July 1997, Deutsche Telekom is very much in favor of competition and an open entry policy for foreign participation in the US Telecommunications market. However, Deutsche Telekom has always had the approach that following successful completion of the WTO GATS Agreement no further restrictions should be applied to foreign carrier entry.

In that context, Deutsche Telekom applauds the Commission's effort to eliminate unneeded regulatory requirements and to abolish parts of the Section 214 authorization process which would eliminate a significant amount of the international service applications.

In addition, Deutsche Telekom is hopeful that all distinctions still being made between carriers and all dominant carrier safeguards will be abolished speedily, and that the FCC will continue an encouraging policy towards further market opening and competition. Germany has implemented the WTO Agreement without any reservations regarding foreign carrier entry and without imposing any dominant carrier safeguards upon carriers with foreign market power. Deutsche Telekom believes that the FCC, in accordance with the WTO

GATS agreement, should promote public interest through reasonable and nondiscriminatory post entry laws and not discriminate against any carriers.

## **1. Blanket Section 214 Authorizations**

It is a significant step in the right direction that the FCC is proposing blanket authorization for carriers wishing to offer service on unaffiliated international routes.

However, the blanket authorization, as proposed, does not apply to internationally affiliated or dominant carriers. Germany and most EU-Member countries do not impose any restrictions or safeguards on affiliated carriers providing international service, nor do they impose foreign carrier safeguards. In Germany, for example, all carriers planning to offer service on international routes apply for a license under the TKG (German Telecommunications Act) which is granted by the Regulatory Authority (RegTP) without distinction between foreign and domestic, affiliated or unaffiliated carriers. Deutsche Telekom has always been of the opinion that public interest should be promoted through reasonable post entry laws that apply on a non-discriminatory basis. Consequently, Deutsche Telekom believes that affiliated carriers should be included in the proposal for blanket authorization.

Deutsche Telekom also reiterates its position that the FCC should not impose dominant carrier safeguards upon any foreign carrier whose settlement rate complies with the FCC's benchmark policies. The GATS requires unrestricted and non-discriminatory entry opportunities. No distinctions should be made between dominant or non dominant-carriers; and all carriers should be included in the blanket authorization.

## **2. Pro Forma Assignments of Section 214 Licenses**

Deutsche Telekom fully supports the FCC's proposal to cease requiring prior approval of *pro forma* assignments and transfer of control of international Section 214 licenses. Deutsche Telekom shares the FCC's opinion that the elimination of this requirement will promote competitive market conditions.

## **3. Section 214 Exclusion List/New Submarine Cable Facilities**

Global facilities-based authorizations are currently subject to an exclusion list maintained by the International Bureau. Deutsche Telekom applauds the proposal to remove all non-US licensed cable systems from the exclusion list and to allow any facilities-based carrier to use any foreign cable system in its provision of U.S. international service.

Deutsche Telekom also approves the proposal to eliminate the need to seek additional Section 214 authorization to build a new common carrier cable system between the United States and foreign points for which the applicant already has authorization for facilities-based service.

## **4. Reorganization of Rules**

The plans for further simplification of the rules on contents of international Section 214 will encourage applications. As a result, Deutsche Telekom fully supports this effort as promoting competition and foreign carrier entry. In that sense, Deutsche Telekom agrees with the FCC's proposal to eliminate the requirement to inform the Commission of every greater-than-10 percent shareholder, and to require only that that applicants provide a list of every greater-than-25 percent shareholder.


In addition, Deutsche Telekom fully agrees with the proposal to authorize the provision of switched services over private lines by declaratory ruling instead of requiring a Section 214 application.

**Conclusion:**

In summary, Deutsche Telekom views the proceeding very favorably and encourages the Commission to continue along this path towards full market entry liberalization.

Respectfully submitted,

Deutsche Telekom

BY:  \_\_\_\_\_

Dr. Andreas Tegge  
Deutsche Telekom  
1920 19th Street, N.W.  
Washington, D.C. 20036

## **CERTIFICATE OF SERVICE**

I, Doris Bailey, hereby certify that on this 13th day of August 1998, a true copy of the foregoing Comments of Deutsche Telekom was hand-delivered to the persons indicated by an asterisk (\*) on the attached service list, and a true copy was sent by first class mail, postage prepaid, to the other persons listed.

Doris Bailey  
Doris Bailey

## **SERVICE LIST**

\*Chairman William Kennard  
Federal Communications Commission  
1919 M Street, N.W., Room 814  
Washington, D.C. 20554

\*Commissioner Susan Ness  
Federal Communications Commission  
1919 M Street, N.W., Room 832  
Washington, D.C. 20554

\*Commissioner Harold Furchtgott Roth  
Federal Communications Commission  
1919 M Street, N.W., Room 802  
Washington, D.C. 20554

\*Commissioner Michael Powell  
Federal Communications Commission  
1919 M Street, N.W., Room 844  
Washington, D.C. 20554

\*Commissioner Gloria Tristani  
Federal Communications Commission  
1919 M Street, N.W., Room 826  
Washington, D.C. 20554

\*Kathryn Brown, Chief  
Common Carrier Bureau  
Federal Communications Commission  
2000 M Street, N.W., Room 500  
Washington, D.C. 20054

\*Regina Keeney, Chief  
International Bureau  
Federal Communications Commission  
2000 M Street, N.W., Room 831  
Washington, D.C. 20554

\*Diane Cornell, Division Chief  
Telecommunications Division  
International Bureau  
Federal Communications Commission  
2000 M Street, N.W., Room 800  
Washington D.C. 20554

**\*Troy Tanner, Chief**  
Policy and Facilities Branch  
Telecommunications Division  
International Bureau  
Federal Communications Commission  
2000 M Street, N.W., Room 800  
Washington, D.C. 20554

**\*Brett Haan**  
Senior Policy Advisor  
International Bureau  
Federal Communications Commission  
2000 M Street, N.W., Room 800  
Washington, D.C. 20554

**\*Magaly R. Salas**  
Acting Secretary  
Federal Communications Commission  
1919 M Street, N.W.  
Room 222  
Washington, D.C. 20554

**\*International Transcription Service**  
Federal Communications Commission  
2100 M Street, N.W., Room 140  
Washington, D.C. 20037

**\*International Reference Room**  
Common Carrier Bureau  
Federal Communications Commission  
2000 M Street, N.W., Room 102  
Washington, D.C. 20554

**John R. Hoffman**  
Sprint Corporation  
8140 Ward Parkway  
Kansas City, MO 64114

**Leon M. Kestenbaum**  
**Michael B. Fingerhut**  
Sprint Corporation  
1850 M Street, N.W., 11th Floor  
Washington D.C. 20036



Theodore Krauss  
France Telecom North America  
1717 K Street, N.W., Suite 507  
Washington, D.C. 20036

Stuart Chiron  
Global One  
12490 Sunrise Valley Drive  
Reston, VA 22096

Robert Aamoeth  
Kellye Drye & Warren LLP  
1200 19th Street, N.W.  
Washington, D.C. 20036

Werner Hein  
Mayer, Brown & Platt  
2000 Pennsylvania Ave., N.W. Suite 6500  
Washington, D.C. 20006